

U.S. Department of the Interior

Bureau of Land Management

Finding of No Significant Impact

DOI-BLM-NV-L030-2015-0003-EA

February 26, 2016

**Murphy's Gap APD Well No. 14-23
for the
Ely District, Nevada**

***Location:
Basin and Range National Monument
Ely District Office, Nevada***

U.S. Department of the Interior
Bureau of Land Management
Basin and Range National Monument
Ely District Office
Phone: 775-289-1800
Fax: 775-289-1910



Finding of No Significant Impact (FONSI)
Environmental Assessment No. DOI-BLM-NV-L030-2015- 0003-EA
Murphy's Gap APD Well No. 14-23 for the Basin and Range National Monument,
Ely District, Nevada

Introduction

The Bureau of Land Management (BLM) prepared the Final Environmental Assessment for the Murphy's Gap APD Well No. 14-23 Basin and Range National Monument, Ely District Office, Nevada (DOI-BLM-NV-L0030-2015-0003-EA). This Environmental Assessment (EA) analyzed the effects of approval of the Application for Permit to Drill (APD) by Makoil, Inc. to drill a wildcat exploration oil well on their lease (NVN 087038) and maintain existing roads located in Lincoln County, Nevada. The EA analyzed three alternatives: Alternative A – APD as proposed by Makoil, Inc., Alternative B – alterations to the proposal to address resource concerns, and the No Action Alternative. This EA is tiered to, and incorporates by reference, the Ely Proposed Resource Management Plan/Final Environmental Impact Statement (BLM 2007). The EIS analyzed resource impacts and the Ely District Record of Decision and Approved Resource Management Plan (2008) designated these lands as open to oil and gas leasing. The Greater Sage-Grouse Approved Resource Management Plan Amendment signed in 2015 amended the Ely RMP. The project area does not occur in Greater Sage-Grouse habitat.

I have reviewed the final EA, dated January 2016. After consideration of the environmental effects of the BLM's Proposed Action described in the EA and supporting documentation, I have determined that the Alternative B with the project design specifications identified in the EA and in combination with the location of the well pad as identified in Alternative A will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as described in 40 CFR 1508.27; therefore, preparation of an Environmental Impact Statement is not required as per section 102(2)(c) of the National Environmental Policy Act.

Context

The Action would occur within the Basin and Range National Monument (within the Ely District) boundaries and would have local impacts on the resources similar to and within the scope of those described and considered within the Ely Resource Management Plan (BLM, 2008) as amended and the FEIS/Record of Decision. The project is a program-specific action directly involving approximately 5.7 acres of BLM administered land. The setting of the proposed project is rural in nature and distant from even small communities. The project area does not occur in Greater Sage-Grouse habitat.

The lessee has the ability to use as much of the leased lands as is reasonably necessary to explore and drill for oil and gas within the lease boundaries, subject to the stipulations attached to the

lease (Title 43 CFR 3101.1-2). This EA provides the additional NEPA analysis required prior to the surface disturbing activities analyzed in this EA.

Drilling of wells on a lease is not permitted until the lessee or operator secures approval of a drilling permit and a surface use plan specified under Onshore Oil and Gas Orders and Notice to Lessee listed in Title 43 CFR 3162.

Conditions of Approval are required and will be attached to the approved APD.

Approval of the Proposed Action would allow the BLM to permit the proponent to exercise their right to develop an oil and gas lease under the Leasing Act of 1920, as amended, Onshore Order No. 1, and the right to obtain mineral materials under the Materials Act of 1947, as amended. The determining factors weighed by the BLM in reaching a finding of no significant impact are provided below:

- There are no major issues involved.
- There are no unique characteristics within the project area to be affected (e.g., prime or unique farmlands).
- There are no adverse impacts to endangered or threatened plant or animal species or their habitats.
- A cultural resource inventory was completed of the project area, and no cultural resources were identified.
- The project and its potential effects on the quality of the human environment are neither controversial nor do they involve unique or unknown risks.
- The proposal is in conformance with the Monument Proclamation and all federal, state, and local planning and laws, imposed for the protection of the environment.

Intensity

1) Impacts that may be both beneficial and adverse:

The Proposed Action would disturb approximately 5.7 acres of BLM-administered land. The following resources were analyzed for impacts: water resources, soils/watershed, vegetation, fish and wildlife, migratory birds, special status animal species, visual resources, land uses, recreation uses, and non-native invasive and noxious species.

President Barack Obama designated and established the Basin and Range National Monument in his Proclamation dated July 10, 2015. The Proclamation identifies objects and values of primarily cultural and ecological importance. The establishment of the Monument is subject to valid existing rights. Because this area was leased for fluid minerals prior to designation of the Monument, the proposed project is considered a valid existing right. Implementation of the Best Management Practices, Standard Operating Procedures, measures committed to by the proponent, and other measures identified in the final EA will avoid and minimize potential impacts to Monument objects and values.

None of the environmental effects discussed in detail in the EA are considered significant, nor do the effects exceed those described in the Ely Resource Management Plan and the FEIS/Record of Decision. The Proposed Action is in conformance with the Monument Proclamation.

2) *The degree to which the Proposed Action affects public health or safety:*

The Proposed Action would not affect public health or safety. Measures have been incorporated into the project to minimize any potential effects to public health or safety.

3) *Unique characteristics of the geographic area such as proximity to historical or cultural resources, parks lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas:*

The project is a program-specific action directly involving approximately 5.7 acres of BLM administered land. The Proposed Action would not affect historical or cultural resources, parks lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas. The proposed project is consistent with the Monument Proclamation. There would be no significant impacts to Monument objects or values identified in the Proclamation from the project as proposed.

4) *The degree to which the effects on the quality of the human environment are likely to be highly controversial:*

The effects on the quality of the human environment from the Proposed Action are not expected to be controversial. As a factor for determining within the meaning of 40 CFR section 1508.27(b)(4) whether or not to prepare a detailed environmental impact statement, “controversy” is not equated with “the existence of opposition to a use” *Northwest Environmental Defense Center v. Bonneville Power Administration*, 117 F.3d 1520, 1536 (9th Cir. 1997). As such, “The term ‘highly controversial’ refers to instances in which a ‘substantial dispute exists as to the size, nature, or effect of the major federal action rather than the mere existence of opposition to a use’ *Hells Canyon Preservation Council v. Jacoby*, 9 F.Supp.2d 1216, 1242 (D. Or. 1998).

The BLM communicated with the U.S. Fish & Wildlife Service, twelve Native American tribes, the Nevada Department of Wildlife (NDOW), the State Historic Preservation Office, and the Lincoln County Commissioners in writing the EA. During preparation of the EA, the public was notified of the proposed action by posting the project on the NEPA register. A public comment period was offered between September 14, 2015 and September 25, 2015. Based on public input, the comment period was extended to October 20, 2015. The public comment period was announced on the Ely District website, the project website, a press release sent out, and the press release was posted in the public room at the Caliente Field Office.

The BLM received approximately nine external comments from individuals, organizations, and government agencies on the proposed action during the comment period. Most comments expressed concerns about potential impact to water resources, the Basin and Range National Monument, and wildlife. Others expressed concerns about hydraulic fracturing, air quality/climate change, cultural resources, soil resources, visual

resources, mineral resources, and coordination and consultation. Sections of the final EA were revised to include additional impact analysis to address resource concerns. The proposed project is consistent with the Monument Proclamation. There would be no significant impacts to Monument objects or values identified in the Proclamation from the project as proposed.

- 5) *The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks:*

Possible effects on the human environment as a result of the action are anticipated to be minimal. Indirect effects would not be significant based on the analysis in the EA. BLM has approved APDs within the Ely District in the past, so the risks of implementation of this type of action are not unknown or uncertain.

- 6) *The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration:*

The Proclamation that created the Basin and Range National Monument states "The establishment of the monument is subject to valid existing rights." This parcel was leased for oil and gas exploration and development prior to the designation of the Monument, and therefore stands as a valid existing right. Any future APDs within the project area or in surrounding areas will be analyzed on their own merits and implemented, or not, independent of the actions currently selected.

- 7) *Whether the action is related to other actions with individually insignificant, but cumulatively significant impacts:*

Past, present and reasonably foreseeable future actions have been considered in the cumulative impacts analysis within the EA. The cumulative impacts analysis examined all of the other appropriate actions and determined that the proposed action would not incrementally contribute to significant impacts. In addition, for any actions that might be proposed in the future, further environmental analysis, including assessment of cumulative impacts, would be required prior to authorization of surface disturbing activities.

- 8) *The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing on the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources:*

A cultural resource inventory was completed of the project area and no cultural resources were identified. Therefore, no adverse effect to these resources would result from the action.

- 9) *The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973:*

The proposed APD does not include any hydraulic fracturing in the Proposed Action. Coal Valley, which the U.S. Fish and Wildlife Service has not identified as a Hydrobasin of Concern or Connected Hyrdobasin, is the location of the project. The project proponent, Makoil, would obtain water from an existing water right holder within Coal

Valley. Therefore, the action would have no effect to endangered or threatened plant or animal species or their habitats.

10) Whether the action threatens a violation of federal, state, local, or tribal law or requirements imposed for the protection of the environment:

The Proposed Action will not violate or threaten to violate any federal, state, local, or tribal law or requirement imposed for the protection of the environment.



Alicia Styles
Monument Manager
Basin and Range National Monument

2/26/16

Date

Literature Cited

BLM. 2007. Ely Proposed Resource Management Plan/Final Environmental Impact Statement November 2007. USDI – BLM. Ely District Office.

BLM. 2008. Ely District Record of Decision and Approved Resource Management Plan. August 2008. USDI – BLM. Ely District Office.

BLM. 2015. Nevada and Northeastern California Greater Sage-Grouse Approved Resource Management Plan Amendment.